

# PROPOSAL EVALUATION

## Proposition 50, Chapter 8

### Integrated Regional Water Management Grant Program

### Implementation Step 2 Proposals

**PIN:** 10024  
**Applicant Name:** Bay Area Clean Water Agencies  
**Project Title:** Bay Area Consolidated IRWMP Priority Projects

**Funds Requested:** \$ 25,000,000  
**Total Project Cost:** \$ 370,046,256

<b>Total Proposal Score:</b>	<b>97</b>
------------------------------	-----------

**Description:** This proposal implements water supply, water quality, and ecosystem restoration projects identified as high priority projects by the Draft Bay Area Integrated Regional Water Management Plan.

**Question: Adopted IRWMP and Proof of Formal Adoption** 2

The IRWMP is scheduled to be adopted by January 1, 2007.

**Question: Description of Region** 5

The IRWMP includes a good description of why the region is appropriate for regional water management. The IRWMP includes maps outlining internal boundaries and water related infrastructure within the region. The IRWMP includes a discussion of future water demands as well as current water resources within the region. Social values and economic conditions of the region are discussed, as are economic trends.

**Question: Objectives** 5

The IRWMP objectives are provided in the IRWMP and sufficiently address the criterion. Regional conflicts and objectives are described. Four water related functional areas were established with functional area-specific objectives described.

**Question: Water Management Strategies and Integration** 3

The IRWMP identifies the water management strategies from the Guidelines, as well as selected additional strategies identified during development of the IRWMP. However, it appears that water management strategies are utilized to meet the IRWMPs goals rather than objectives. Substantial discussion of the synergies of the water management strategies and how they achieve IRWMP objectives is provided. However, the discussion regarding integration of water management strategies does not appear to be focused on integration but rather as a collaboration of efforts in the region.

**Question: Priorities and Schedule** 3

The IRWMP contains short- and long-term priorities and the methodology involved in the prioritization process. However, it appears that these are priorities of individual agencies and not regional coordinated priorities. The applicant states that a Technical Coordination Committee (TCC) will only review IRWMP project priorities every 5 years to determine if adjustments are necessary. The sponsoring agency will be responsible for tracking implementation progress and will report progress to the TCC on a 5-year review basis. Individual sponsoring agencies will be tasked with monitoring project implementation and responsible for keeping the TCC apprised of changes to projects and readiness to proceed. However, a 5-year review cycle does not appear to support the dynamic nature, process, and objectives of developing and maintaining an integrated regional approach to IRWM planning.

**Question: Implementation** 3

The application includes short-term priority projects and a schedule for implementing the IRWMP. Agencies responsible for implementation of individual projects are identified. However, few projects demonstrate feasibility and a discussion of linkages.

## PROPOSAL EVALUATION

### Bay Area Clean Water Agencies

#### ***Question: Impacts and Regional Benefits***

2

The impacts and benefits described are not from implementation of the IRWMP, but from the short-term priority projects. Temporary construction related impacts are not listed for the recycled water projects. Discussions on benefits are described in a bulleted fashion and only on a project basis - not as an integrated regional planning approach. Inter-regional benefits and impacts, benefits to DACs, and impacts/benefits to other resources are not presented.

#### ***Question: Technical Analysis and Plan Performance***

2

Data, technical methods, and analysis used in the selection of water management strategies are not included. Possible data gaps are not identified and discussed. The specific measures that will be used to measure performance of the individual projects are not thoroughly discussed, although they are listed in a table. Specific monitoring methods are not included.

#### ***Question: Data Management***

2

The data management section is incomplete. Therefore an FED is used. The FED states that specific details of data management have not been fully developed, three items are listed as possible mechanisms to distribute data, and spreadsheets and databases are stated as possible data management tools. An assessment of existing monitoring efforts for water supply and water quality is not provided. Projects listed are associated with certain statewide data needs. However, no discussion is provided how data collection will support these needs.

#### ***Question: Financing***

2

While possible sources for financing projects are presented, in bulleted form, financing of the IRWMP is not. Beneficiaries of the IRWMP are not identified. Potential O&M funding is depicted as coming from agencies funds and Proposition 50 Chapter 7 and 8 funds. The use of bond funds for O&M costs is not allowed.

#### ***Question: Relation to Local Planning & Sustainability***

2

This portion of the IRWMP is incomplete and therefore an FED is used. The FED states that the IRWMP projects are consistent with individual agency water management plans. However, no additional discussion or detail is provided. The applicant states that ABAG has been actively involved in the development of the IRWMP. However, no additional detail is provided regarding the coordination with local land-use planning decision-makers. The dynamics between the IRWMP and other local planning documents is not addressed.

#### ***Question: Stakeholder Involvement & Coordination***

2

This portion of the IRWMP is incomplete and therefore an FED is used. No discussions of DACs, EJ concerns, or possible obstacles to IRWMP implementation are presented.

<b>Weighted IRWMP Total Score: 17</b>
---------------------------------------

#### ***Question: Work Plan***

15

The proposal describes 15 projects in various stages of design and permitting. Each objective is listed and particular projects or project types used to meet that objective and how they will do so is stated. The discussion includes examples of how synergies between projects will contribute to some of the objectives. Work items appear of adequate detail and completeness to implement projects. The 15 projects will collectively implement the five objectives and meet the proposal goals. Permits and CEQA documents are listed for each project.

#### ***Question: Budget***

4

The application includes a summary budget and individual project budgets. Budgets generally agree with work items depicted in the work plan and schedule. However, the Proposal Administration budget and the Proposal Schedule administration fees do not match. Labor costs are sufficiently documented with billing rates and projected hours for labor categories. Construction costs are well documented with material costs including unit costs and quantities. Generally, project costs are derived from project proponent experience with similar projects. Contingency costs appear appropriate.

## PROPOSAL EVALUATION

### Bay Area Clean Water Agencies

***Question: Funding Match***

5

The funding match is 90.66% of the total proposal costs.

***Question: Schedule***

4

Generally, the schedule corresponds to work items presented in the work plan. The time allotted for work items seems reasonable. Construction starts for the 15 projects vary from May 2006 to May 2009.

***Question: Scientific and Technical Merit***

12

Projects in the proposal are at various stages of design. All projects are supported by technical data of varying degree dependent on design phase. Each project demonstrates technical feasibility. An evaluation of data gaps for Project 3 is not presented. The data gap discussion for Project 8 states that an existing data gap will be addressed by a Supply Operations Plan, which the applicant states is included in the work plan. However, such a plan was not found in the work plan.

***Question: Monitoring, Assessment and Performance Measures***

4

Monitoring efforts for Projects 3, 4, and 14 are not fully described. The remaining projects have numeric monitoring that should allow for project evaluation.

***Question: Economic Analysis***

9

The PV of the costs is \$500 million and the PV of the quantified benefits is \$650 million, but some benefits are doubtful. Overall, a medium to high level of net benefits will be provided. One project dominates the costs and the benefits for that project are well documented. However, land acquisition costs are not included. The unit costs of water from two projects appear expensive and may not be economical on a water supply basis. The regional intertie is not valued with quantified water supply. Use of 6% annual risk appears to be in error. Other less significant concerns with the benefits include: 1) the "reliability benefit" which is subjective, 2) double counting of water quality and supply benefits, 3) counting full benefits for water already being used, and 4) counting full benefits when supplies are being phased.

***Question: Other Expected Benefits***

6

The applicant presents Other Expected Benefits in quantitative and qualitative terms. There is a sufficient degree of certainty that the benefits discussed will be realized. However, some benefits claimed appear questionable, such as the suggestions that water supplies from projects that produce supplemental water supplies will allow currently used imported water to remain in-stream for in-stream flows.

***Question: Program Preferences***

3

The proposal would assist in increasing the water supply reliability, but only marginally addresses Program Preferences for water quality improvements, TMDL implementation, and reduction of pollutants to impaired waters or sensitive habitats. DAC preference is not addressed by any of the projects.

***Question: Statewide Priorities***

18

Different projects within the proposal attempt to address different Statewide Priorities. The following priorities are adequately addressed: implementing recycling, desalination, and assisting in achieving CALFED goals. The following priorities are addressed, but the proposal will only marginally achieve benefits: implementing TMDLs, implementing the NPS Plan, implementing WMIs, and meeting Delta Water Quality Objectives. The proposal will only indirectly address EJ concerns, in that any benefits broadly occur throughout the Bay Area. Recycling and water conservation projects may reduce demand for imported water and may assist in resolving water user disputes.

<b>Total Proposal Score:</b>	<b>97</b>
------------------------------	-----------